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WASH, D.C.

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

| REPORT FOR THE PERIOD BEGINNING  | 1/1/2017                                      | AND ENDING_          | 12/31/2017                |
|--|---|----------------------|---------------------------|
|  | MM/DD/YY                                      |                      | MM/DD/YY                  |
| A. RE  | GISTRANT IDENTIFIC                            | CATION               |                           |
| NAME OF BROKER-DEALER:   |   |                      |                           |
| Money Concepts Capital Corp.   |   |                      | OFFICIAL USE ONLY         |
|  |   |                      | FIRM ID. NO.              |
| ADDRESS OF PRINCIPAL PLACE OF BUSINES  |   |                      |                           |
| 11   | 440 North Jog Road<br>(No. and Street)        |                      |                           |
|  |   |                      |                           |
| Palm Beach Gardens   | FL  |                      | 33418                     |
| (City)   | (State)                                       |                      | (Zip Code)                |
| NAME AND TELEPHONE NUMBER OF PERSO   | N TO CONTACT IN REGARD                        | TO THIS REPORT       |                           |
| Barry R. Rittman - Vice Presiden   | t & CFO                                       |                      | 561-472-2048              |
|  |   |                      | (Area Code Telephone No.) |
| B. AC  | COUNTANT IDENTIFIC                            | CATION               |                           |
| INDEPENDENT PUBLIC ACCOUNTANT whose  | opinion is contained in this Rep              | oort*                |                           |
| Le   | rner & Sipkin, CPAs LLP                       |                      |                           |
| (Nan   | ne – if individual, state last, first, middle | e name)              |                           |
| 132 Nassau Street, Suite 1023  | New York                                      | NY                   | 10038                     |
| (Address)  | (City)  | (State)              | (Zip Code)                |
| CHECK ONE:  Certified Public Accountant Public Accountant Accountant not resident in United Sta            | tas or any of its possessions                 |                      |                           |
| Accountant not resident in officer sta   | ics of any of its possessions                 |                      |                           |
|  | FOR OFFICIAL USE ONLY                         |                      |                           |
|  |   |                      |                           |
|  |   |                      |                           |
| *Claims for exemption from the requirement that the<br>must be supported by a statement of facts and circu |   |                      |                           |
| musi de supporteu dy a statement dy jacis ana en et  | ambiances retied on as the basis              | joi me exempnom. Dee | Beenion 270.174-3(6)(2).  |

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a currently valid OMB control number.

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# OATH OR AFFIRMATION

| i, Denis Walsh                      | , swear (or affirm   | ) that, to the |
|-------------------------------------|--|----------------|
|                                     | he accompanying financial statement and supporting schedules pertaining to the firm  |                |
|                                     | TS CAPITAL CORP.   | , as of        |
| December 31                         | ,20 17, are true and correct. I further swear (or affirm) that neither the compan  | •              |
| hat of a customer, except as follow | er, principal officer or director has any proprietary interest in any account classified   | solely as      |
| iat of a customer, except as follow | <i>n</i> 5.  |                |
|                                     |  |                |
|                                     |  |                |
|                                     | 0  |                |
|                                     |  | ····           |
|                                     | Her Will   |                |
|                                     | Signature  |                |
|                                     | Cosident   |                |
|                                     | Title  |                |
|                                     | MININA J. COGNA  |                |
| Notary Public                       | Commission 12 30 5 5   |                |
|                                     |  |                |
|                                     | <b>*</b>   |                |
|                                     | #FF 227022   |                |
| his report** contains (check all a  | pplicable boxes):  |                |
| (a) Facing page.                    | C STATE OF WILLIAM   |                |
| (b) Statement of Financial Co       | ***************************************  |                |
| (c) Statement of Income (Loss       | s).  |                |
| (d) Statement of Cash Flows         |  |                |
| - · ·                               | tockholders' or Members' Equity or Partners' or Sole Proprietor's Capital  |                |
| (f) Statement of Changes in L       | iabilities Subordinated to Claims of Creditors.  |                |
| (g) Computation of Net Capit        | al.  |                |
| (h) Computation for Determin        | nation of Reserve Requirements Pursuant to Rule 15c3-3.  |                |
| (i) Information Relating to th      | e Possession or control Requirements Under Rule 15c3-3.  |                |
| (j) A Reconciliation, includir      | g appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 ar  | nd the         |
| • •                                 | ation of the Reserve Requirements Under Exhibit A of Rule 15c3-3.  |                |
| -                                   | the audited and unaudited Statements of Financial Condition with respect to method   | ds of con-     |
| solidation.                         | The second secon | 01 0011        |
| (l) An Oath or Affirmation.         |  |                |
| (m) A copy of the SIPC Suppl        | emental Report.  |                |
|                                     | aterial inadequacies found to exist or found to have existed since the date of the pre   | evious audit.  |

<sup>\*\*</sup>For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

Money Concepts Capital Corp.
(a wholly owned subsidiary of Money Concepts International, Inc.)
STATEMENTS OF FINANCIAL CONDITION Pursuant to Rule 17a-5 under the **Securities Exchange Act of 1934** December 31, 2017 and 2016

Money Concepts Capital Corp. (a wholly owned subsidiary of Money Concepts International, Inc.)

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December 31, 2017 and 2016

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders of Money Concepts Capital Corp. 11440 North Jog Road Palm Beach Gardens, FL 33418

## Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Money Concepts Capital Corp. as of December 31, 2017, and the related notes (collectively referred to as the financial statement). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of Money Concepts Capital Corp. as of December 31, 2017 in conformity with accounting principles generally accepted in the United States of America.

## **Basis for Opinion**

The financial statement is the responsibility of Money Concepts Capital Corp.'s management. Our responsibility is to express an opinion on Money Concepts Capital Corp.'s financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Money Concepts Capital Corp. in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Lerner & Sipkin CPAs, LLP Certified Public Accountants (NY)

We have served as Money Concepts Capital Corp.'s auditor since 2009.

New York, NY February 7, 2018

Money Concepts Capital Corp.
(A Wholly Owned Subsidiary of Money Concepts International, Inc.)
STATEMENTS OF FINANCIAL CONDITION DECEMBER 31, 2017 AND 2016

## **ASSETS**

|  | 2017         | 2016         |
|--|--------------|--------------|
| Cash   | \$ 4,299,968 | \$ 5,519,695 |
| Commissions receivable                                       | 1,605,477    | 1,340,607    |
| Due from clearing broker (including a deposit of \$100,000)  | 957,036      | 446,130      |
| Prepaid expenses   | 65,050       | 31,919       |
| Deferred tax asset, net                                      | 220,107      | 338,176      |
| Total assets   | \$ 7,147,638 | \$ 7,676,527 |
| LIABILITIES AND STOCKHOLDER'S EQUITY                         |              |              |
| Liabilities:   |              |              |
| Commissions payable  | \$ 1,842,069 | \$ 1,591,407 |
| Accounts payable and accrued expenses                        | 999,788      | 948,956      |
| Income tax payable to Parent                                 | 754,144      | 744,435      |
| Total liabilities  | 3,596,001    | 3,284,798    |
| Commitments and Contingencies                                |              |              |
| Stockholder's equity   |              |              |
| Common stock, no par value, stated value of \$100 per share; |              |              |
| 100 shares authorized, issued and outstanding                | 10,000       | 10,000       |
| Additional paid-in capital                                   | 40,000       | 40,000       |
| Retained earnings  | 3,501,637    | 4,341,729    |
| Total stockholder's equity                                   | 3,551,637    | 4,391,729    |
| Total liabilities and stockholder's equity                   | \$ 7,147,638 | \$ 7,676,527 |

## Money Concepts Capital Corp.

(A Wholly Owned Subsidiary of Money Concepts International, Inc.)
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2017 AND 2016

### 1. Nature of operations

Money Concepts Capital Corp. (The "Company") is a broker-dealer and registered investment advisor registered with the Securities and Exchange Commission (the "SEC") and is a member firm of the Financial Industry Regulatory Authority. The Company is a wholly owned subsidiary of Money Concepts International, Inc. (the "Parent").

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934 in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(ii). Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clears all transactions on behalf of customers on a fully disclosed basis with a clearing broker/dealer.

## 2. Summary of Significant Accounting Policies

### Basis of presentation

These financial statements were prepared in conformity with accounting principles generally accepted in the United States of America which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the amounts of revenue and expenses.

### Revenue and expense recognition

Commission income and expense from customer transactions are recorded on a trade-date basis. Fee income from investment advisory services is recorded as earned.

#### Cash

All cash deposits are held at one financial institution and therefore are subject to the credit risk at that institution. At times the cash deposits may exceed federally insured limits. The Company has not experienced any losses in such accounts and does not believe there to be any significant credit risk with respect to these deposits.

### **Income taxes**

The Company files consolidated federal and state income tax returns with the Parent. The Company calculates income tax expense or benefit, and settles the current amount payable to or receivable from the parent as if it files a separate tax return.

The Company utilizes the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years for differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes enactment date.

## Money Concepts Capital Corp.

(A Wholly Owned Subsidiary of Money Concepts International, Inc.)
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2017 AND 2016

#### 3. Income taxes

As of December 31, 2017 and 2016, the deferred tax asset resulted primarily from timing differences between book and tax. The tax effects of these differences at December 31, 2017 and 2016 were as follows:

|                           | 2017       | 2016       |
|---------------------------|------------|------------|
| Deferred revenue          | \$ 188,254 | \$ 279,416 |
| Accrued expenses          | 31,853     | 58,760     |
|                           | 220,107    | 338,176    |
| Less valuation allowances |            |            |
| Net deferred tax asset    | \$ 220,107 | \$ 338,176 |

In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Company will realize the benefits of these deductible differences.

At December 31, 2017 and 2016, management has determined that the Company had no uncertain tax positions that would require financial statement recognition. This determination will always be subject to ongoing reevaluation as facts and circumstances may require. The Parent remains subject to U.S. federal and state income tax audits for all periods subsequent to 2014.

#### 4. Commitments and contingencies

The Company, in the normal course of business, is party to various legal actions. Management believes that the potential exposure, if any, from these matters would not have a material adverse effect on the Company's financial position, results of operations, or liquidity.

#### 5. Credit risk

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Company's transactions are collateralized and are executed with and on behalf of customers, banks, brokers and dealers and other financial institutions. The Company introduces these transactions for clearance to another broker/dealer on a fully disclosed basis.

## Money Concepts Capital Corp.

(A Wholly Owned Subsidiary of Money Concepts International, Inc.)
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2017 AND 2016

#### 6. Concentration

A portion of the Company's assets are held at the clearing broker. The Company is subject to credit risk should the clearing broker be unable to fulfill its obligations. The Company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing broker's internal guidelines. The Company monitors its customers' activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions when necessary.

## 7. Regulatory requirements

The Company is subject to the SEC Uniform Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2017 and 2016, the Company had net capital of \$3,253,863 and \$4,012,204 respectively, which was \$3,014,129 and \$3,787,551, respectively in excess of its required net capital of \$239,734 and \$224,653, respectively. The Company's net capital ratio was 1.10:1 and .84:1, respectively.